

# Transcript of News Conference By President on Money for the MX

Following is a transcript of President Reagan's news conference today, as recorded by The New York Times.

## OPENING STATEMENT

Not a single rhinoceros. Our defense policy is based on a simple premise—I stated it the other night—that we do not start wars. We maintain our strength to deter aggression and preserve peace.

Since the dawn of the nuclear age, we've sought to reduce the risk of war by maintaining a strong deterrent and by seeking genuine arms controls.

And after close bipartisan coordination with the Congress, the Secretary of Defense, the Joint Chiefs of Staff, the Commission on Strategic Forces last year reaffirmed that we must continue the Peacekeeper program as part of an overall strategic modernization program that includes ambitious arms control negotiations.

There is no more compelling priority on my agenda, and that is why we've been working so hard to convince the Soviet Union to join us in a spirit of genuine cooperation to achieve real and equitable reductions in the levels of nuclear arms.

And that's why the United States is continuing to carry out our own obligations and commitments under previous agreements as we called upon the Soviet Union to demonstrate equal restraint.

## Withdrawal of Missiles

It's important to remember that since the December 1979 NATO decision on longer-range intermediate nuclear forces, the United States has already withdrawn over 1,000 nuclear weapons from Europe. We will continue to withdraw one additional nuclear weapon for each Pershing 2 and ground-launch cruise missile deployment.

We and our allies have also announced plans to withdraw an additional 1,400 nuclear weapons from Europe. In sum, the United States will withdraw five times as many nuclear weapons as are planned for deployment in the ground-launch cruise missiles and Pershing 2 programs.

In five rounds of SALT, the United States has been flexible exploring all avenues to achieve verifiable arms reductions. The U.S. position was adjusted to reflect the Secretary

Commission's recommendations to incorporate a proposed mutual guarantee build-down and to include trade-offs between the interests and advantages of each side.

Negotiations on mutual balanced force reductions resumed March 16. We tabled a new initiative to break the deadlock with the Soviets over existing force levels. And in a conference on disarmament, we're pressing for a total ban on chemical weapons.

## The Soviet Reaction

Despite all our initiatives, the Soviet Union walked out of the intermediate nuclear force talks, and has still failed to agree to resume the SALT talks.

We regret this Soviet action, and we remain prepared to resume negotiations immediately without preconditions. We must not cast doubt on U.S. and allied resolve nor reward the Soviets for their current belligerent behavior towards arms control.

In the early 1970's, the United States expected to field a modernized ICBM system by the end of the '70's. We didn't make it. The Peacekeeper will not be deployed in even limited numbers until late 1986.

The Soviet Union, however, deployed over 800 SS-17's, SS-19's and SS-19's, missiles that are similar to or even larger than the MX. Also, the Soviet Union is now flight-testing two new ICBM's, the MXVed SS-24 and the SSX-25, and have others under development.

The U.S.S.R. has a comprehensive program to strengthen their strategic force. We cannot afford to delay any longer.

Without Peacekeeper, the MX, the incentive for the Soviets to return to the negotiating table is greatly reduced. The Soviets hope that once again our modernization efforts will be curtailed. To falter now would only encourage the Soviet Union to ignore our arms control efforts.

For our own security and the cause of world peace, we must support the bipartisan national program that we approved last year.

Now, Bill.

## QUESTIONS AND ANSWERS

### Comments in China

Q. Mr. President, why would you expect the Soviets to come back to the arms talks after the way you talked about them over in China? What are you talking about there, sir?

A. What did I actually talk about over in China? I have said that we are disappointed that the Soviet Union has not accepted the invitation to return to the SALT talks.

Q. And I pointed out that on our own behalf, we didn't have any troops on their border. With them, they're pursuing an expansionist policy. We were not invading another country, such as Afghanistan, or doing what they're doing in Kampuchea.

Now, is that harsh rhetoric or is that telling the simple truth.

### Relations With Soviet

Q. Mr. President, relations between the U.S. and the U.S.S.R. have really hit a new low, almost cold war dimensions in the eyes of some experts. What is the real reason for that? What are you going to do about it? Do you think that your rhetoric—or say no now—and/or your actions have contributed to this? Or is it all their fault? What are you up to?

A. Well, sometimes I wonder why we don't ask these questions more often. Why is it that it's almost a pattern that the United States is possibly doing something that may be a threat of war. Of that what should we do. We didn't walk away from the table. In fact, we made the Soviets to bring them back to the table by showing them how flexible we were willing to be in these discussions. And they didn't come back.

With my—there were people who said that my rhetoric wasn't harsh enough after they shot down a civilian airliner with 269 innocent people aboard.

### Motive on Olympics

Q. What's the real reason for the boycott?

A. Again, you'd have to ask them. The reasons they have given are absolutely false, and we've been able to prove it. The reasons that there might not be sufficient security for their athletes, their athletes, and so forth. And we were able to prove to the history of the Olympics has ever done as much as we're doing to ensure that.

### The 1980 Boycott

Q. Mr. President, you have said in the past—in 1980 you said that you were sorry about the boycott. This year you're saying that politics has no place in an Olympic boycott. Why have you changed your position?

A. Well, let's remember the difficult situation. The Soviets have now announced that they are not going to come because they don't believe that we can offer protection to their athletes.

And, as I say, we have given them chapter and verse on what we have done, and there had never been anything like it. Now, in 1980, had nothing for the boycott that was given by the then Administration was because the Soviet had invaded, openly invaded with their own forces, a neighboring country, Afghanistan, that hadn't

done anything to them or lifted a finger against them.

Now, I think this is a completely different situation. It is true, however, that I went through several stages of thought. I thought that we had an automatic accepting of the politicizing of that. I was as angry as anyone. I'm sure, as we all were, and as disapproving of the invasion of Afghanistan, and still anti.

But at the time, I asked a question: Is it a precedent of denying the right of our own citizens to leave the country and to compete in the Olympics? I thought in terms of shouldn't this decision be made by the free American people, and not by the committee, the athletes themselves.

I went through a stage of thinking in which I said it wasn't so much that they weren't participating as I said shouldn't we, since the Olympics traditionally were born in and exist on the basis of trying to provide peace between nations, they, the host nation, having done what they did, should we not let them participate? I said, "Let's not let them participate."

Q. Your final decision, your final statement back in 1980 was that you were sorry about the boycott. Now, you're saying that politics has no place in an Olympic boycott. Why have you changed your position?

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A. No, I had no conversation with him.

## Money for the Parties

Q. Mr. President, you're saying that the reports or allegations that the C.I.A. covertly gave money to some of the parties that are involved is untrue?

A. What I'm saying is that I'm not going to discuss intelligence matters of that kind or what an agency like the C.I.A. may do, but I'm here to tell you that I am assured that we have not tried to participate as a Government in any way in the elections in El Salvador.

And I'd like to call to your attention that the group that just went down there to observe this election—and we've done this every election. But this last group, completely bipartisan and with some people who admittedly came back and reported to me—and you can check with any of them—that they made every effort to view this from the standpoint of eligibility to vote right on up to the counting. And they were totally enthused and convinced that this election was fair.

They reported that they were very courteous about answering questions of disquieting people to whom they needed to go so forth.

They found not a thing wrong or any kind of any dishonesty or fraud in the election.

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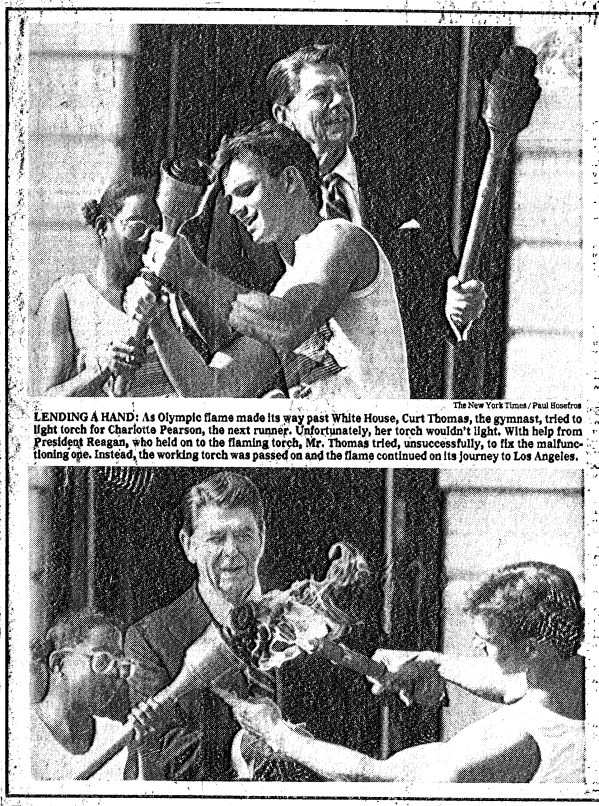
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LENDING A HAND: As Olympic flame made its way past White House, Curt Thomas, the gymnast, tried to light torch for Charlotte Pearson, the next runner. Unfortunately, her torch wouldn't light. With help from President Reagan, who held on to the flaming torch, Mr. Thomas tried, unsuccessfully, to fix the malfunctioning one. Instead, the working torch was passed on and the flame continued on its journey to Los Angeles.

## Olympics and Re-election

Q. Mr. President, many observers think the Soviets have boycotted the Olympics to make a political point. The point being that they can't do business with you; that you are a dangerous man, and thus apparently try to hurt your re-election chances. Do you think that's their motive?

A. I don't know. You'd have to ask them about that. But Sam, I have to tell you that a little thing with you, the other way, I had in my possession a kind of a scholarly-type magazine—I can't even give you the name of it now—that had been given to me, dated April 1980.

On the plane, over in China, I gave it to George Shultz, because I thought he would be interested. It was one of those where there are a whole series of essays in the magazine on various national and international topics.

I gave it to him because one of the essays was on Soviet-American relations. And there hasn't been an adjective used or a word spoken with regard to our relations now that I did see in that article where the relations were at the lowest ebb they had ever been, they were frozen tight, and the President, the then-President of the United States, according to that essay, was to blame for this terrible relationship.

What have we done to the Soviets that can compare with any of the things that they are presently doing, except tell them that we're not going to let them get so powerful that they can impose nuclear blackmail on us. And that we are willing to meet them in arms reductions to the point of total disarmament, if they would be willing to meet them.

Q. If they are trying to influence our election, do you think it would be backfire?

A. I don't know how to access that. I don't know. It might.

## Interest Rates

Q. Mr. President, could you tell us if you think the Federal Reserve Board is responsible for the rise in interest rates and what sort of policies the Fed should be following?

A. I've got to answer that one, Larry, and that's it then. I was going to walk out, but you've just asked a tough one.

The question on the Fed is, I think that one of the reasons for the interest rates still a lack of confidence out there that we do have inflation under control. What we want from the Fed is for the— we want the money supply to be increased at a range that is commensurate with the increase in the growth in the economy and that will thus make possible the continued growth of the economy without a return to inflation. So therefore we want great big uppers, not do we want any strapping down to the point that there is not enough money supply in the economy.

Now, I have to say also in behalf of the Fed, we must recognize these tools are not all that accurate that they have to work with. It is possible for there to be for limited times an inadvertent upsurge or an inadvertent decline that the Fed doesn't have anything to do with. They do as well as they can in trying to keep this projected growth.

Q. Were you backing off of the criticism by Secretary Regan?

A. No, I think that that was what Secretary Regan was also trying to say. There was a downswing recently, and that slump could have been, what I say, inadvertent. But as far as we know, they are within the two brackets. They have an upper line and a lower line, and they try to keep the increase within those lines.

## Issue and Debate

# MX Missile Faces Another Big Test in Congress

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upon Congress to resist weapons systems which are highly questionable.

The Background

Questions about the MX have been raised by myriads of factors, including the military establishment itself, since the birth of the project in the early 1970's.

In 1971, only a year after the first signing of nuclear missiles called the SALT talks, the MX was active in North Dakota, the Strategic Air Command preferred plans for a new intercontinental missile. From a purely technical perspective at that time, it was unclear why the Air Force sought a missile that was more accurate and able to carry many more bombs than the Minuteman 3.

In an article published by Air Force Magazine in March 1973, Otto J. Glasser, then the Air Force's Chief of Staff for research and development, said: "Everything that can be reasonably extrapolated from present Soviet capabilities confirms that no matter how we set the scenario, a sufficient number of Minuteman missiles can be expected to survive to carry out the system's assigned assured-destruction role."

From the beginning, the MX, for missile experimental, was intended to be a mobile missile unlike the Minuteman, in the hope that Soviet military leaders would not know exactly where to aim if they wanted to destroy the United States nuclear missiles. Until the mid-1970's, the MX was the centerpiece of the Soviet Union's intercontinental ballistic missile program.

By about 1977 they had acquired both warheads for multiple independent targetable reentry vehicles, or MIRVs, and sufficient accuracy to begin theoretically to threaten all missiles.

Throughout the '70's, the Air Force studied more than 30 "basing modes" for the new missile. Most of these, such as trucking the missiles on interstate highways or submerging them in inland seas, were rejected. A proposal to keep the MX continually airborne in special planes received high-level support more than once, but was cast aside, mostly because of a nuclear deterrent force, proposed by threatening Soviet land-based missiles in a way not possible with strategic bombers or submarines.

Against the MX

Opponents have focused their fire on the MX. They have argued that the MX is a costly and unnecessary program, that it is a political ploy to distract attention from other defense issues, and that it is a violation of the arms control agreements.

development in multiple-protective shelters, a kind of shell game in which hundreds of missiles would be moved about on rails around "racetracks" built in a vast region of the Great Basin of Nevada and Utah. The projected cost was \$1.5 billion.

But Mr. Reagan rejected this plan in October 1981. Since then, through a series of bargaining chips, the MX has been approved by the House of Representatives and Congressional veto commissions.

By now, opponents say, it is obvious that the MX is a political ploy. Rather than convincing Soviet leaders that they must negotiate a reduction in nuclear weapons, opponents say, the MX has shown that the President has no real interest in arms control.

The opponents have also tried to use the potent and bipartisan desire to reduce the Federal deficit as part of their campaign against the MX. Building the system will absorb tens of billions of dollars, they say, that could make better use of funds by purchasing conventional arms or strategic weapons that are less costly and more vulnerable, such as submarines.

Since Congress approved Mr. Reagan's plan to base MX missiles in advanced underground Minuteman silos, the system's opponents have not bothered much with technical points. But a recent study by the General Accounting Office raised a host of problems with the missile that could undercut its performance. The study said that the MX would be plagued by problems with the missile that could undercut its performance. The study said that the MX would be plagued by problems with the missile that could undercut its performance.

The Outlook

By last February, House opponents of the MX began to believe that they might gather enough votes to cancel the project in military budget debates this month. That the missile was in political difficulty also became clear to the President in March, when his Commission on Strategic Forces issued a report saying the MX "faces a winter of doubt."

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on the "bargaining chip" claim made for the weapon by the Administration. Last November the House rejected, by nine votes, an amendment similar to the Bennett-Mavroules measure, mostly through defections by Southern Democrats who were supporting the MX.

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gressional leadership began to take the prospects of a cancellation of the MX seriously. Moreover, all the major candidates for the Democratic Presidential nomination came out against the missile.